

Board of Commissioners
Chair Ed Wolfe
Vice Chair Rob Putaansuu
Becky Erickson
Charlotte Garrido
Robert Gelder
Danielle Murphy
Val Tollefson
Executive Director
Stuart Grogan



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**HOUSING KITSAP BOARD OF COMMISSIONERS
WORK STUDY
MARCH 21, 2017
MINUTES**

Board in Attendance: Kitsap County Commissioner Ed Wolfe(Chair), Mayor of City of Port Orchard Rob Putaansuu (Vice Chair), Mayor of City of Poulsbo Becky Erickson, Kitsap County Commissioner Charlotte Garrido, Kitsap County Commissioner Rob Gelder, City of Bainbridge Island Council Member Val Tollefson.

Attending Staff: Chief Financial Officer Wendy Dutenhoeffer, Self-Help Program Director Dean Nail, Administrative Support Assistant Tara Owensby, Director of Real Estate Management and Housing Programs Holly Paterson Assistant Director of Finance Kim Seibold.

Absent: Resident Commissioner Danielle Murphy, Executive Director Stuart Grogan, Project Manager of Affordable Housing Development Mike Brown.

1. Call to Order:

Chair Wolfe called the meeting to order at approximately 11:00 a.m.

2. Review of the proposed agenda:

No comment.

3. Meeting Minutes:

The January Work Study meeting minutes were approved by consensus.

4. Board questions and discussion regarding the Program Updates:

Commissioner Garrido mentioned that she would be in contact with Stuart to suggest a particular way of naturally grouping information in the packets sent to the Board before meetings that would make for easier reading.

Dean reported that the timing is working out well for One Maple and he added that 9 of the 27 lots have been approved. The Board requested information on the upcoming handing over of the keys ceremony for the Summerset group in Poulsbo. Dean mentioned that it is tentatively scheduled for May 5. Commissioner Erickson shared that she has been following this project for many years and expressed an interest in speaking at the event. Commissioner Erickson requested that Dean and his staff make her and the rest of the Board aware of details as they are scheduled.

Wendy informed the Board that a purchase and sale agreement between Housing Kitsap and Community Frameworks is currently under review. The approved resolution states that the purchase price will not exceed \$2.4 million but it is possible that the costs to complete the project could exceed the threshold by approximately \$60,000. After discussion, Wendy mentioned that staff would prepare an action item/resolution if the costs exceed \$2.4 million.

Chair Wolfe inquired of the audit that was provided in the program updates packet. Kim provided a brief overview of the audit suggestions for best practices.

Holly reported that her staff would visit Kingston Ridge Apartments to review the file of a tenant who recently made a complaint. HK staff will follow up with the resident and clarify any possible miscommunications regarding the application for assistance. Holly will provide an update of this issue to the Board at the 4/4/17 Board meeting.

5. Relocation discussion:

A. Office Due Diligence

Wendy reported that the building inspection indicated the roof and HVAC are in need of replacement and that there are some other minor issues to address totaling an estimate of \$166,569. The Commissioners mentioned that they would prefer the bid repairs to be completed by the Owner if possible before HK acquires the property. Staff will contact the broker and request a price reduction or to have the Owner complete the repairs.

Staff learned of occupancy and height restrictions attached to the property and that to change these, all common area owners need to approve a variance. If the variance is not granted, the property will not meet HK's office space needs and HK recommends that the Board does not approve the purchase. The Seller does not feel that this will be an issue.

B. City of Bremerton (CoB)

Wendy shared that the City Attorney planned to discuss the Purchase and Sale Agreement (PSA) at the City Council meeting on March 22, but was not able to review HK's requested changes before the meeting resulting in a delay. The contract has been tentatively scheduled for the April 5 City Council meeting for review. Negotiations with the CoB are still in process.

C. Amendments to the County Loan Agreement(CLA)

Wendy said that amendments to the CLA are still a work in progress and anticipates them to be complete before the close of both sales.

6. Adjournment:

The Board of Commissioners Work Study meeting was adjourned at approximately 11:30 AM.

ATTEST:

ATTEST:


STUART GROGAN


TARA OWENSBY


Date Approved

Executive Director

Administrative Support Assistant